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## SERVICES DIVISION INDICATIONS JOURNAL

7 June 1955

Formosa Straits - Economic - Construction  
(Info Dates - April and May 1955)

Analysis of aerial photography of April 1955<sup>1/</sup> reveals a relatively new installation at Namping which is almost certainly a cement plant. This identification of the installation is based upon the appearance in the photography of two and possibly three kilns, two chimneys, five and possibly six silos, and ancillary buildings. Moreover, there is clear evidence of a newly developed quarry in the immediate neighborhood and it is known that rock suitable for cement manufacturing is present in this area.<sup>2/</sup> The plant is located both on the east bank of the Sha River, a tributary of the Min, and on the main north-south highway in western Fukien, between Chienon and Yungan. The requisite facilities for handling large-volume shipments from the plant by river craft are evident along the river bank.

Further confirmation is provided by a Chinese Communist statement of May 1954 that a cement plant was scheduled for construction at Namping beginning in June 1954,<sup>3/</sup> and by recent Chinese statements that cement is being shipped down the Min River to Foochow.<sup>4/</sup>

The size and physical characteristics of the plant indicate that it has a probable daily capacity of between 600 and 1,000 tons of cement. This capacity would substantially facilitate Chinese Communist construction activities in East China and particularly in Fukien by greatly reducing the distance over which cement supplies must be transported to construction projects in the area. (There is no other cement plant known to be in the East China area.) Location of this plant in Fukien is considered especially significant in view of the extensive road, bridge, and airfield development program now underway, as well as the possible railroad construction in the area. Its importance is further indicated by the rapidity with which the plant was completed and placed in operation by the Chinese Communists.

Sources: <sup>1/</sup> Photography available in ORR, Secret/Noform.

<sup>2/</sup> NIS 39, Section 63, Chapter VI, December 1951, Confidential.

<sup>3/</sup> CIA, FDD Summary No. 180, Weekly Economic Information Report on China, No. 8, 9 August 1954, Confidential.

<sup>4/</sup> CIA FDD Summary No. 475, 3 May 1955, Confidential.

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